GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:896
ANSWERED ON:22.11.2002
PROMOTION OF SEZS
PRABODH PANDA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have taken a number of steps to promote Special Economic Zones (SEZs) in coastal areas to attract large scale Foreign Direct Investment (FDI) during the last three years;

(b) if so, the details of the steps taken in this direction; and

(c) the outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b): Major steps taken to promote Special Economic Zones (SEZs) include duty free import/domestic procurement of goods for development, operation and maintenance of SEZs and SEZ units; external commercial borrowing without any maturity restriction through recognized banking channels; facility to set up of Overseas Banking units in SEZ, Foreign Direct Investment (FDI) upto 100% to develop townships within the SEZs with residential, education and recreational facilities, freedom to make over-seas investment out of Export Earners Foreign Currency (EEFC) account; 100% FDI in manufacturing sector through automatic route barring a few sectors and exemption from minimum area requirement of 1000 hectares for port based SEZs.

(c) 13 SEZs have so far been approved for establishment on the basis of the request received from the State Governments/private promoters. The Zone are at various stages of implementation.